



Department of Justice

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FEDERAL COURT ORDERS MICROSOFT TO STOP ITS "TYING" PRACTICES

A Federal Court this evening entered a preliminary injunction ordering Microsoft to stop requiring purchasers of its operating system software to install its browser software.

Praising the decision, Joel I. Klein, Assistant Attorney General for Antitrust, said "no consumer should be denied the browser of their choice because Microsoft made their computer vendor an offer they couldn't refuse. That's why we brought this case."

In making his decision, Judge Thomas Penfield Jackson said, "the probability that Microsoft will not only continue to reinforce its operating system monopoly by its licensing practices, but might also acquire yet another monopoly in the Internet browser market, is simply too great to tolerate indefinitely until the issue is finally resolved. Those practices should be abated until it is conclusively established that they are benign."

"Today's ruling is a victory for American consumers," said Attorney General Janet Reno. "It will help ensure a competitive market and prevent Microsoft from using its dominance to gain an unfair advantage in the browser market."

Judge Jackson issued a preliminary injunction against the Microsoft Corporation prohibiting it from engaging in "the practice of licensing the use of any Microsoft personal computer operating system software (including Windows 95 or any successor version thereof) on the condition, express or implied, that the licensee also license and preinstall any Microsoft internet browser software (including Internet Explorer 3.0, 4.0, or any successor versions thereof) pending further order of Court."

Judge Jackson indicated that he was "preliminarily inclined to agree with the government's reasons for interpreting" the relevant consent decree provision as barring Microsoft from conditioning the use of its operating system to require Original Equipment Manufacturers (OEMs) to include its browser product.

Judge Jackson did not conclude that Microsoft should be held in contempt for violating the consent decree. Instead, he ordered discovery on this issue and appointed a special master, Lawrence Lessig, a professor of law at Harvard University, to propose a

resolution to the government's motion to hold Microsoft in contempt of violating the decree.

Judge Jackson also denied the government's request to strike contract language that limits OEMs from discussing complaints about Microsoft's business practices. He explained that Microsoft has agreed that it does not interpret such provisions "to forbid parties from communicating with the [Department of Justice] or requiring them to notify it when summoned to do so."

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